THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) No, Sir.

(b) Does not arise.

(c) Government has been receiving inputs that the current Targeted Public Distribution System (TPDS) suffers from some inadequacies. In a process of revamping PDS to make it more efficient and better targeted for the poor and needy the Government has consulted the State Governments in a series of meetings.

Government of India has recently announced increase in allocation of foodgrains for people living below poverty line (BPL) from 10 kg. to 20 kg. per family per month in the Budget presented in the Parliament for the financial year 2000-2001.

CAG's observation on grain shortage

1677. SHRI V.N. GADGIL: Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Comptroller and Auditor General of India, in its audit of Food Corporation of India has found that there is alarming shortage of about half a million tons of grain;

(b) whether rupees 11 crores were spent on the first audit of FCI; and

(c) whether the audit was conducted by a Swiss Company (SGS)?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) to (c) Yes, Sir. A shortage of about 4.74 lakh tonne of foodgrains was found on physical verification of stocks held by Food Corporation of India in an audit conducted by the Comptroller and Auditor General of India (C&AG). An expenditure of Rs. 10.81 crore was incurred on this audit. The verification of the stocks of foodgrains by C&AG was conducted through the surveyors, M/s. SGS India Ltd. which is an affiliate of the Societe Generale de Surveillance, a Company registered in Switzerland.

Import of Sugar and Wheat

†1678. SHRI JHUMUK LAL BHENDIA: Will the Minister of CONSUMER

AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) the reasons for importing sugar and wheat despite the fact that production and storage of both the foodgrains is sufficient; and

(b) on what basis Government allow reckless increase in the prices of sugarcane and want to make the price of sugar stable?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) There has been no import of wheat and sugar on Government account during 1999-2000.

(b) The Central Government is only concerned with the fixation of the Statutory Minimum Price (SMP) of sugercane, which is fixed on the basis of the recommendations of the Commission on Agricultural Costs and Prices (CACP). However, the State Governments have been announcing the State Advised Prices (SAP) over and above the Statutory Minimum Price fixed by Government of India. State Advised Prices have no legal sanction behind them.

Increasing cost of sugar production

†1679. SHRI BALWANT SINGH RAMOOWALIA:
DR. D. MASTHAN:

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the sugar producing mills in various States in the country have drawn Government's attention, by expressing their concern, over the increasing cost of sugar production;

(b) if so, what is the estimated increase in the cost of production of sugar mills during the last three years;

(c) whether production in the sugar mills is becoming un- remunerative due to increase in the cost of production and the sugar mills have been compelled to close down; and

†Original notice of the question was received in Hindi.